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Counsel to the Debtors and
Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

- - - - - - - - - - - - - - - x
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In re: : Chapter 11
:
CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)
et al., :
:
Debtors. : Jointly Administered
- - - - - - - - - - - - - - - x

**ORDER PURSUANT TO BANKRUPTCY CODE SECTION 362(d)(1),
FEDERAL BANKRUPTCY RULE 4001, AND LOCAL BANKRUPTCY RULE
4001 MODIFYING THE AUTOMATIC STAY FOR THE LIMITED
PURPOSE OF ALLOWING SAFECO INSURANCE COMPANY OF AMERICA
TO COMMENCE CANCELLATION OF SURETY BONDS**

Upon the motion (the "Motion")¹ of the Debtors for entry of an order, pursuant to sections 105, 362(d)(1), and 365 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 4001 and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 4001 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the "Local Rule") for entry of an order (I) authorizing rejection of the Debtors' Surety Bonds; (II) modifying the automatic stay for the limited purpose of allowing Safeco to commence cancellation of Surety Bonds; (III) establishing a Surety Bond Claim Deadline; and (IV) granting related relief; and the Court having reviewed the Motion; and the Court having determined that a portion of the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein, and

¹ Each capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Motion.

after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED that:

1. The Motion is GRANTED in part solely and only as set forth herein.

2. The Debtors have requested, and Safeco has agreed, that Safeco will cancel all of the Debtors' Surety Bonds that can be canceled by their terms or by the applicable statute, code or regulations, which Surety Bonds are set forth on Exhibit A (collectively, the "Cancelable Surety Bonds").

3. The automatic stay imposed pursuant to section 362 of the Bankruptcy Code is modified to the extent necessary to authorize Safeco to promptly take all of the necessary actions to cancel all of the Cancelable Surety Bonds.

4. With respect to any Surety Bonds that remain outstanding as of the date of this Order that can be cancelled by their terms or by the applicable statute, code or regulations, but which are not listed on Exhibit A hereto (the "Unlisted Cancelable Surety Bonds"), the automatic stay imposed pursuant to section 362 of the

Bankruptcy Code is modified to the extent necessary to authorize Safeco to promptly take all of the necessary actions to cancel all of the Unlisted Cancelable Surety Bonds.

5. Prior to Safeco's taking the necessary or appropriate actions to cancel any Cancelable Surety Bond(s) or any Unlisted Cancelable Surety Bonds (for the purposes of this paragraph 5 only, the Cancelable Surety Bonds and the Unlisted Cancelable Surety Bonds shall be referred to collectively as the "Cancelable Surety Bonds"):

(a) Safeco shall provide written notice to the Debtors, through the Debtors' counsel, of Safeco's intent to take the necessary and appropriate actions to cancel one or more of the specifically named Cancelable Surety Bonds, and shall attach a copy of each specifically named Cancelable Surety Bond to its notice;

(b) Within ten (10) business days after the date of receipt of the notice, the Debtors may provide Safeco with their written consent with respect to any Cancelable Surety Bond(s) that Safeco seeks to cancel. The Debtors' failure to respond within ten (10) business days of receipt of Safeco's written notice shall be deemed to be the Debtors' written objection, in which case Safeco shall not be permitted to take any further action without either the Debtors' subsequent written consent or pursuant to a subsequent court order; and

(c) In the event the Debtors consent to Safeco's cancellation of any such Cancelable Surety Bond(s), the Debtors shall file a Notice with this Court consenting to Safeco's cancellation of the specific Cancelable Surety Bonds that the Debtors agree to, and Safeco shall be authorized to take the immediate, necessary and appropriate actions to cancel any Cancelable Surety Bond(s) in accordance with their terms and any applicable statutes, codes and/or regulations.

6. All Surety Bond premiums that have renewed prior to the date of this Order shall cease accruing upon the Cancellation Effective Date for each individual Surety Bond (whether the Cancellation Effective Date is defined in the Surety Bond or by the applicable statute, code or regulation).

7. Safeco will waive the right to collect any Surety Bond premium that renews for any individual Cancelable Surety Bond after the date of this Order.

8. No renewal premiums will be charged or will accrue for any Unlisted Cancelable Surety Bonds after the date of this Order.

9. Upon receipt of a Surety Bond Claim, and before Safeco remits payment to the Obligee in connection with that Surety Bond Claim, Safeco will provide the Debtors with a copy of the Surety Bond Claim,

as well as the opportunity to review and respond to the Surety Bond Claim, subject to Safeco's and the Debtors' rights, if any, under the Indemnity Agreement.

10. The requirement under Local Rule 9013-1(G) of the Local Rules for the United States Bankruptcy Court for the Eastern District of Virginia to file a memorandum of law in connection with the Motion is hereby waived.

11. This Court retains jurisdiction to hear and determine all matters arising from or related to implementation or interpretation of this Order.

Dated: Richmond, Virginia
April __, 2010
Apr 14 2010

/s/ Kevin Huennekens

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

Entered on docket: April 15 2010

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SEEN AND NO OBJECTION

By:



Robert P. McIntosh
Assistant United States Attorney
Eastern District of Virginia
1800 Main Street Centre
600 East Main Street
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United States Customs and Border Protection

Dated: April 12, 2010

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley
Douglas M. Foley

EXHIBIT A

(List of Bonds)

Exhibit A: List of Debtors' Surety Bonds

| Obligee | Description | Bond No. | Bond Amount | Effective Date |
|--|---|--------------|----------------|----------------|
| Jacksonville Electric Authority | Utility Bond | 5732806-0000 | \$40,600.00 | 6/6/2008 |
| New Orleans Public Service | Utility Bond | 5786559-0000 | \$15,000.00 | 3/22/2009 |
| Insurance Commissioner, State of Georgia | Extended Service Contract-Home Warranty Bond | 5786563-0000 | \$100,000.00 | 4/15/2008 |
| Brownsville Public Utility Department | Utility Bond | 5786564-0000 | \$6,000.00 | 4/14/2008 |
| North Little Rock Utilities Accounting Department | Utility Bond | 5807614-0000 | \$6,000.00 | 7/20/2008 |
| Insurance Commissioner and Treasurer, State of Florida | Florida Home Warranty Bond | 5807629-0000 | \$100,000.00 | 8/27/2008 |
| City of Lafayette Utility Systems | Utility Bond | 5807637-0000 | \$5,910.00 | 9/9/2008 |
| City of Tallahassee, Credit/Collections Division | Utility Bond | 5807638-0000 | \$12,200.00 | 9/9/2008 |
| State of Nevada | Nevada Retailer and/or User Bond | 5807643-0000 | \$1,442,987.00 | 9/19/2008 |
| Massachusetts Turnpike Authority | Bond securing payment for use of MA Turnpike | 5829483-0000 | \$5,000.00 | 5/12/2008 |
| Florida Power Corporation | Utility Bond | 5860593-0000 | \$99,775.00 | 12/18/2008 |
| Orlando Utilities Commission | Utility Bond | 5860601-0000 | \$13,500.00 | 1/3/2009 |
| Knoxville Utilities Board | Utility Bond | 5869811-0000 | \$8,000.00 | 4/12/2008 |
| Kentucky Utilities Company | Utility Bond | 5869813-0000 | \$5,500.00 | 4/14/2008 |
| Tampa Electric Company | Utility Bond | 5876344-0000 | \$86,000.00 | 7/8/2008 |
| Huntsville Utilities | Utility Bond | 5876418-0000 | \$16,000.00 | 12/27/2008 |
| United Cities Gas Companies | Utility Bond | 5895705-0000 | \$3,350.00 | 3/4/2008 |
| City of Rocky Mount Collections | Utility Bond | 5895708-0000 | \$2,900.00 | 3/17/2008 |
| Central Louisiana Electric Company | Utility Bond | 5895710-0000 | \$5,500.00 | 3/25/2008 |
| Maine Turnpike Authority | Bond securing payment for use of ME Turnpike | 5895711-0000 | \$5,000.00 | 4/4/2009 |
| Pennsylvania Turnpike Commission | Bond securing payment for use of PA Turnpike | 5895712-0000 | \$3,000.00 | 4/4/2008 |
| Southwestern Power Company | Utility Bond | 5910793-0000 | \$4,600.00 | 9/27/2008 |
| State of Nevada, State Contractors Board | License to do business as a Contractor in NV | 5930784-0000 | \$2,000.00 | 4/9/2008 |
| TECO People's Gas | Utility Bond | 5930806-0000 | \$1,000.00 | 12/14/2008 |
| Western Resources, Inc. | Utility Bond | 5930808-0000 | \$1,000.00 | 1/28/2009 |
| New York State Thruway Authority | Extension of credit for use of New York Thruway | 5930893-0000 | \$1,000.00 | 10/8/2008 |
| Maine Turnpike Authority | Bond securing payment for use of ME Turnpike | 5930908-0000 | \$5,000.00 | 12/14/2008 |

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| Obligee | Description | Bond No. | Bond Amount | Effective Date |
|--|---|--------------|----------------|----------------|
| South Carolina Public Service Authority (Santee Cooper) | Utility Bond | 6088504-0000 | \$14,000.00 | 11/1/2008 |
| City of Vero Beach Utilities | Utility Bond | 6088516-0000 | \$14,000.00 | 12/19/2008 |
| Electric Power Board of Chattanooga | Utility Bond | 6088523-0000 | \$8,600.00 | 1/10/2009 |
| City of Lakeland, Department of Electricity & Water | Utility Bond | 6088524-0000 | \$14,000.00 | 1/10/2009 |
| AEP/Public Service Company of Oklahoma | Utility Bond | 6088526-0000 | \$9,474.00 | 1/10/2009 |
| Kansas City Power & Light Company | Utility Bond | 6088527-0000 | \$3,500.00 | 1/25/2009 |
| Con Edison Company of New York | Utility Bond | 6156367-0000 | \$83,140.00 | 7/16/2008 |
| City of Orlando and/or Orlando Utility Commission | Utility Bond | 6189274-0000 | \$5,000.00 | 6/17/2008 |
| State of Indiana, Secretary of State, Notary Department | Notary Public Bond | 6200155-0000 | \$5,000.00 | 1/14/2003 |
| Kentucky Utilities Company | Utility Bond | 6216827-0000 | \$5,000.00 | 10/2/2008 |
| State of Nevada, Department of Taxation | Guaranty payment of taxes | 6216840-0000 | \$30,000.00 | 10/21/2008 |
| Withlacoochee River Electric Cooperative, Inc. | Utility Bond | 6275855-0000 | \$12,000.00 | 8/4/2008 |
| U.S. Customs Service, Department of Homeland Security | Importer Broker Bond | 6327553-0000 | \$1,000,000.00 | 6/24/2008 |
| Progress Energy Carolinas | Utility Bond | 6335771-0000 | \$88,982.00 | 4/28/2008 |
| Salt River Project Agricultural Improvement & Power District | Utility Bond | 6335792-0000 | \$150,804.00 | 5/10/2008 |
| City of Miami Beach | License to do business as a mail order business | 6355422-0000 | \$5,000.00 | 8/11/2008 |
| City of East Point, Finance Director | Utility Bond | 6355484-0000 | \$15,000.00 | 1/24/2009 |
| Arizona Registrar of Contractors | License to do business as a residential contractor | 6403858-0000 | \$2,000.00 | 3/20/2008 |
| Arizona Registrar of Contractors | License to do business as a residential and commercial contractor | 6403859-0000 | \$52,500.00 | 8/16/2008 |
| Hillsborough County, Construction License Team | License to do business as a contractor | 6403862-0000 | \$5,000.00 | 4/12/2008 |
| State of Arizona, Department of Revenue | Taxpayer Bond | 6403865-0000 | \$2,000.00 | 4/19/2008 |
| Frederick County, Maryland | License to do business as an electrical contractor | 6403866-0000 | \$10,000.00 | 4/19/2008 |

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| Obligee | Description | Bond No. | Bond Amount | Effective Date |
|---|--|--------------|--------------|----------------|
| Washington Department of Labor and Industries, Department of Electric Licensing & Certification | Electrical/Telecommunications Contractors Bond | 6403880-0000 | \$4,000.00 | 6/20/2008 |
| Arizona Registrar of Contractors | License for a Residential C-37R Built-In Central Vacuum System | 6403889-0000 | \$7,500.00 | 8/8/2008 |
| Maryland Home Improvement Commission | License to do business as a home improvement contractor | 6403890-0000 | \$20,000.00 | 8/8/2008 |
| New Mexico Regulation and License Department | License to do business as a contractor | 6403901-0000 | \$5,000.00 | 9/14/2008 |
| Iowa Division of Labor | License to do business as an out of state contractor | 6403902-0000 | \$50,000.00 | 9/14/2008 |
| Arizona Department of Insurance | License to sell service contracts | 6403908-0000 | \$100,000.00 | 10/17/2008 |
| California Registrar, Contractors State License Board | Contractors Licensing Bond | 6403909-0000 | \$12,500.00 | 3/12/2007 |
| Oregon Construction Contractors Board | License to do business as a contractor | 6403922-0000 | \$15,000.00 | 6/15/2008 |
| Nevada State Contractors Board | Contractors Licensing Bond | 6457119-0000 | \$30,000.00 | 2/15/2009 |
| Arizona Department of Revenue | Contractor Taxpayer Bond | 6457128-0000 | \$2,000.00 | 9/6/2008 |
| California Registrar, Contractors State License Board | Bond of Qualifying Individual | 6457129-0000 | \$12,500.00 | 3/16/2007 |
| California Registrar, Contractors State License Board | Bond of Qualifying Individual | 6457130-0000 | \$12,500.00 | 3/16/2007 |
| California Registrar, Contractors State License Board | Bond of Qualifying Individual | 6457131-0000 | \$12,500.00 | 3/16/2007 |
| California Registrar, Contractors State License Board | Bond of Qualifying Individual | 6457132-0000 | \$12,500.00 | 3/16/2007 |
| California Registrar, Contractors State License Board | Bond of Qualifying Individual | 6457133-0000 | \$12,500.00 | 3/16/2007 |
| Oklahoma Tax Commission | Sales Tax Surety Bond | 6457154-0000 | \$500.00 | 12/7/2008 |
| Missouri Gas Energy | Utility Bond | 6457176-0000 | \$1,350.00 | 7/17/2008 |
| GreyStone Power Corporation | Utility Bond | 6457178-0000 | \$2,500.00 | 8/6/2008 |
| City of Dover, Delaware | Utility Bond | 6489799-0000 | \$9,000.00 | 8/23/2008 |
| Kissimmee Utility Authority | Utility Bond | 6489803-0000 | \$35,000.00 | 9/11/2008 |
| Knoxville Utilities Board | Utility Bond | 6489808-0000 | \$2,000.00 | 10/11/2008 |
| Progress Energy Corporation | Utility Bond | 6489809-0000 | \$52,115.00 | 10/17/2008 |

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| Obligee | Description | Bond No. | Bond Amount | Effective Date |
|--|--|--------------|--------------|----------------|
| Puerto Rico Electric Power Authority | Utility Bond | 6489815-0000 | \$41,760.00 | 11/16/2008 |
| Lee County Electric Cooperative | Utility Bond | 6489819-0000 | \$12,100.00 | 1/4/2009 |
| Dixie Electric Cooperative | Utility Bond | 6489824-0000 | \$12,210.00 | 1/23/2009 |
| Duke Power | Utility Bond | 6489825-0000 | \$133,700.00 | 1/18/2009 |
| Puerto Rico Electric Power Authority | Utility Bond | 6489827-0000 | \$36,000.00 | 1/31/2009 |
| City of Alcoa | Utility Bond | 6489833-0000 | \$12,000.00 | 3/4/2008 |
| Dominion Virginia Power | Utility Bond | 6489834-0000 | \$482,565.00 | 3/5/2009 |
| Knoxville Utilities Board | Utility Bond | 6489835-0000 | \$15,500.00 | 3/6/2009 |
| Clarksville Department of Electricity | Utility Bond | 6489844-0000 | \$13,400.00 | 4/15/2008 |
| Georgia Department of Driver Services | License to Operate an Ignition Interlock Provider Center | 6489845-0000 | \$120,000.00 | 4/17/2008 |
| Arizona Public Service | Utility Bond | 6489851-0000 | \$177,000.00 | 5/22/2008 |
| Puerto Rico Electric Power Authority | Utility Bond | 6489872-0000 | \$23,850.00 | 9/24/2008 |
| Utility Board of City of Foley d/b/a Riveria Utilities | Utility Bond | 6489878-0000 | \$10,000.00 | 10/15/2008 |
| Gulf Power Company | Utility Bond | 6489885-0000 | \$34,540.00 | 11/5/2008 |
| New York State Electric & Gas | Utility Bond | 6489887-0000 | \$56,405.00 | 11/5/2008 |
| Entergy Arkansas, Inc. | Utility Bond | 6489888-0000 | \$16,850.00 | 11/5/2008 |
| Entergy Gulf States Louisiana, LLC | Utility Bond | 6489889-0000 | \$55,550.00 | 11/5/2008 |
| Entergy Mississippi, Inc. | Utility Bond | 6489890-0000 | \$50,000.00 | 11/5/2008 |
| Entergy Louisiana, LLC | Utility Bond | 6489891-0000 | \$81,390.00 | 11/5/2008 |
| Allegheny Power | Utility Bond | 6581614-0000 | \$83,243.00 | 9/16/2008 |

CERTIFICATE OF NOTICE

District/off: 0422-7
Case: 08-35653

User: frenchs
Form ID: pdforder

Page 1 of 1
Total Noticed: 1

Date Rcvd: Apr 15, 2010

The following entities were noticed by first class mail on Apr 17, 2010.
atty +Gregg M. Galardi, Skadden Arps Slate Meagher, & Flom LLP, One Rodney Sq., PO Box 636,
Wilmington, DE 19899-0636

The following entities were noticed by electronic transmission.
NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS *****
NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Apr 17, 2010

Signature:

